

BOSTON COLLEGE
Department of Economics

EC132.15 and .16: PRINCIPLES OF ECONOMICS - MACRO

Instructor: Vasso P. Ioannidou

Office: Carney Hall, 33B

Tel.: (617) - 552 - 8704

E-mail address: ioannido@bc.edu

Office hours: Tuesday and Thursday from 9:30-10:30 a.m. or by appointment

Class meets: at Gasson 303 every Tuesday, Thursday

EC132.16 at 10:30-12:00

EC132.15 at 12:00-1:30

Text: Samuelson, Paul A., and Nordhaus, William D. Economics, 16th ed., 1998.

Class web page: <http://www2.bc.edu/~ioannido/teaching>

Course Requirements:

2 Midterm exams: 30% each.

1 Final exam (cumulative): 40%.

Problem sets: will not be collected or graded but are strongly recommended for best understanding of the material and for sufficient performance in the exams.

INTRODUCTION

The objective of this course is to introduce you to the fascinating world of Macroeconomics! Concepts such as investment, consumption, long run economic growth, unemployment, inflation, fiscal, monetary policy and open economy macroeconomics will be part of the material that we will cover. This course has no formal prerequisites. However, even at the principle level, sufficient understanding of economics requires knowledge of some mathematical techniques. The essential elements of the mathematical tools needed for the course will be covered in class as we go along. *Nonetheless, you are strongly recommended to review some basic algebra on your own.* For example, you are expected to be comfortable with manipulating fractions, decimals, solving first order equations, taking the first difference of first order equation, reading and interpreting graphs as well as shifting or moving along graphs.

Regular class attendance and problem sets are *crucial* for understanding the material. My passed experience showed that students who did *all* problem sets performed approximately 37.2% better on my exams compared to students who did not. To achieve a better understanding of the material, you are encouraged to work on problem sets together. Moreover, answers to the problem sets will be available on my web page one week after they are given.

As mentioned already, there will be two midterm exams and one final exam. Make up exams will not be given. Any missed exams require appropriate documentation from the Dean of your school in order to avoid a failing grade. Cheating on any exam will not be tolerated and will result in an automatic failing grade on the exam (please refer to the page on Academic Integrity in the BC student handbook).

TENTATIVE CLASS SCHEDULE

PART A

Chapter 20 (4): Overview of Macroeconomics	Jan16
Chapter 21 (5): Measuring Economic Activity	Jan 18, 23
Chapter 22 (6): Consumption and Investment	Jan 25, 30
Chapter 23 (7): Business Cycles and the Theory of Aggregate Demand	Feb1, 6
Chapter 24 (8): The Multiplier Model	Feb 8, 13
Review	Feb 15
Midterm Exam on Part A	Feb 20

PART B

Chapter 25 (9): Money and Commercial Banking	Feb 22, 27
Chapter 26 (10): Central Banking and Monetary Policy	Mar 1, 6
Chapter 27 (11): The Process of Economic Growth	Mar 8, 13
Chapter 28 (12): The Challenge of Economic Development	Mar 15
Chapter 29 (13): Unemployment. and the Foundations of Aggregate Supply	Mar 20, 22
Chapter 33 (17): Policies for Growth and Stability	Mar 27, 29
Chapter 30 (14): Ensuring Price Stability	Apr 3, 5
Review	Apr., 10
Midterm Exam on Part B	Apr., 13

PART C

Chapter 31 (15): Open - Economy Macroeconomics	Apr., 17, 19
Chapter 34 (18): International Trade and Exchange Rates	Apr., 24, 26
Chapter 35 (19): Comparative Advantage and Protectionism	May 1
Review (will be scheduled sometime during the “study period”)	
Final Exam (Cumulative) for EC132.15	May 5
Final Exam (Cumulative) for EC132.16	May 7

I HOPE YOU ENJOY THIS CLASS AS MUCH AS I DO!!!